#### REMARKS

#### Summary of the Office Action

The Office Action mailed on May 19, 2006 (the "Office Action"), has been carefully reviewed. In the Official Action, the Examiner rejected pending claims 1-13, 15-18, 50-61 and 63-64 under 35 U.S.C. § 102(e) as being anticipated by Liao, U.S. Patent Application No. 2002/0171000 A1 (hereinafter "Liao"). Additionally, the Examiner rejected pending claim 62 as being obvious over the combination of Liao in view of Santos et al., U.S. Patent No 4,280,672 (hereinafter "Santos"). The Applicants traverse the rejection of the pending claims and request reconsideration thereof.

Applicants gratefully acknowledge the allowance of claims 19-49.

### Discussion of the Current Invention

Prior to addressing the substance of the Examiner's Rejections, the Applicants believe a brief summary of the current invention would aid in an understanding of the following arguments. With reference to the pending application, the current invention provides a retractable reel apparatus used to retract single or multi-line electrical wiring, cords, cables, hoses and the like.

As described by the pending claims, the retractable reel apparatus provides a rotatable reel positioned within a housing. Additionally a wire having first and second portions is carried by the reel. The first wire portion is wrapped around the reel and a 180° bend joins the second portion to the first portion thereby allowing the second portion to be counter-wrapped within the reel. Thus the current invention eliminates the need for a central shaft.

Further, as described in the pending claims, the reel carries two arcuate tabs which lock the wire to the reel in a manner which permits the 180° bend in the wire to rotate with the reel. Thus, the current invention allows the first wire portion to be pulled out of the housing without applying tension or stress on the second wire portion. For further details, the Applicants respectfully direct the Examiner's attention to the specification and in particular to paragraphs 0049 and 0058.

# Rejection of Claims 1-13, 15-18, 50-61 and 63-64 under 35 U.S.C. § 102(e)

Turning now to the rejection of claims 1-13, 15-18, 50-61 and 63-64 under 35 U.S.C. § 102(e) as being anticipated by Liao, the Applicants have amended independent claims 1 and 50 to clearly distinguish over the cited art. As amended, independent claims 1 and 50 clearly indicate the use of two arcuate tabs which lock or secure the wire in a rotatable configuration at the substantially 180° bend to the rotatable reel. Support for the amendment to the claims is found in the specification in paragraphs 0049 and 0058 and the drawings.

The Applicants respectfully submit that Liao does not teach or suggest a retractable wire reel assembly as provided by amended claims 1 and 50. Specifically, Liao does not provide a wire having first and second portions interconnected by a substantially 180° bend and wherein the wire engages arcuate tabs carried by the reel. Further, Liao does not teach or suggest that the wire rotates with the reel. Therefore, Liao does not anticipate amended claims 1 and 50.

In view of the amendments which place claims 1 and 50 in allowable form over the disclosure of Liao, the Applicants respectfully submit that the remaining dependent claims are now also in allowable form. Therefore, the Applicants respectfully request reconsideration and withdrawal of the rejection of the pending claims over Liao.

# Rejection of Claim 62 under 35 U.S.C. §103

Turning now to the § 103(a) of claim 62 over the combination of Liao in view of Santos, the foregoing arguments over Liao are equally applicable to this rejection and are incorporated herein. Inasmuch as claim 62 depends from claim 50, which is now believed to be in allowable condition, claim 62 is also in allowable condition. Therefore, the Applicants respectfully request reconsideration and withdrawal of the rejection of claim 62 over the combination of Liao and Santos.

## **Summary**

In view of the foregoing amendments to the claims and arguments over the cited art, the Applicants respectfully request reconsideration and withdrawal of the rejections of the pending claims. A formal Notice of Allowance of Claims 1-13, 15-31 and 33-64 is earnestly solicited. The foregoing is intended to be a complete response to the Official Action dated May 19, 2006. Should the Examiner care to discuss any aspect of the foregoing response in greater detail, the undersigned attorney would welcome a telephone call.

September 12, 2006 Date Respectfully submitted

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